GOVERNMENT OF INDIA
DEFENCE
LOK SABHA

UNSTARRED QUESTION NO:3549
ANSWERED ON:12.12.2002
PROCUREMENT OF DEFECTIVE FUSES
SHEESH RAM SINGH RAVI

Will the Minister of DEFENCE be pleased to state:

(a) whether his Ministry had procured 9000 defective fuses at a total cost of Rs. 60.86 crore from a foreign firm during 1995-99;

(b) whether the delivery of the said fuses was received without pre-shipment inspection by the Air Force in violation of contractual provisions;

(c) whether the payments were released illegally;

(d) if so, whether the Government have enquired/looked into the matter and taken any action against the officials responsible for causing irrecoverable financial loss to the State; and

(e) if so, the outcome thereof and the measures taken to ensure non-repetition of such incidents in future?

Answer

MINISTER OF DEFENCE (SHRI GEORGE FERNANDES)

(a) The Ministry of Defence had procured serviceable fuses Qty 9000 at a total cost of Rs. 60.86 crore.Certain technical defects were, however, observed in the battery of the fuse and the same are now being replaced free of cost by the vendor.

(b) The first batch of fuses was subjected to acceptance inspection and was found to have met the technical and operational requirements. Hence, second batch was not inspected. This action was within the contractual stipulation.

(c) No, Sir.

(d) Does not arise.

(e) Acceptance inspection of stores has been made mandatory irrespective of number of batches. Scope of acceptance inspection activities has been enhanced substantially in all weapon procurement contracts.